one crore are lying idle all over Kerala following the enactment of the Central legislation banning sale of ivory and ivory products;

(b) whether Government are also aware of the reports that over three tonnes of ivory stock is lying unused in Kerala which is likely to be burnt due to acute shortage of storage space; and

(c) if so, what steps Government proposed to take in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF ENVIRONMENT AND FORESTS (SMT. SUMATI ORAON): (a) and (b) Kerala Government has reported that they have about 1,850 Kg. of Indian ivory of an estimated value of Rs. 40 lakhs lying idle. The State Government do not have any plans to burn this stock.

(c) Guidelines have been issued to State Government to consider donating ivory tusks to Army messes.

Use of Indian Currency for Business Transaction with India by Nepal

1987. KUMARI SAYEEDA KHATUN: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that Nepal has started with immediate effect the exchange and free flow of Indian Currency in business transaction with India under the most favoured nation regime; and

(b) if so, what is government's reaction thereto and what measures are being taken to safeguard India's interest?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b) Government of Nepal are reported to have introduced certain changes in their exchange control regulations concerning Indian Currency.

Measures to safeguard India's interests have been worked out.

जम्मू और काश्मीर के फल उत्पादकों को बैंक ऋण सुविधाएं

1988. **डा० अबरार अहमद खान:** क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या जम्मू और काश्मीर के फल उत्पादकों को फलों के बेहतर उत्पादन, भण्डारण और परिवहन के लिए कोई बैंक ऋण सुविधायें दी जा रही हैं ; और

(ख) यदि हां, तो इस संबंध में पिछले तीन वर्षों के दौरान दी गयी सुविधाओं का वर्षवार ब्यौरा क्या है ?

वित्त मंत्रालय में आर्थिक कार्य विभाग में राज्य मंत्री (श्री एडवर्डो फेलेरियो): (क) और (ख) भारतीय रिजर्व बैंक ने सूचित किया है बागबानी को प्राथमिकता प्राप्त क्षेत्रों को दिए जाने वाले ऋणों के लिए, कृषि के अन्तर्गत शामिल किया गया है । इस प्रकार बागबानी रियायती ब्याज दर पर ऋण सुविधा प्राप्त करने के लिए पात्र हैं तथा कृषि अग्रिमों पर लागू होने वाले उदार मार्जिन और प्रतिभूति संबंधी मानदंड इस पर भी लागू होते हैं । तथापि, वर्तमान सूचना प्रणाली से इस विशेष गतिविधि के लिए दिए जाने वाले ऋणों से संबंद्ध सूचना नहीं मिलती ।

Illegal Trading in the Inter-Bank Call Money Market by Banks

1989. SHRI KRISHNA KUMAR BIRLA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a number of banks in the country have been recently found indulging in illegal trading in the inter-bank call money market taking advantage of its refinancing facilities;

(b) if so, what are the details thereof; and

(c) what action Government have taken to check such illegal trading by the banks?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE

(SHRI EDUARDO FALEIRO): (a) to (c) Reserve Bank of India (RBI) has reported that commercial banks are not permitted to lend in the money market if they are utilising refinance from Reserve Bank. This prescription is applied to discretionary and stand by facilities. However, towards the end of the last financial year some banks were reported to be utilising these refinance facilities and also lending in the money market. Such banks were cautioned to desist from lending in the money market. The banks were also warned that the continuance of refinance facilities to those violating this stipulation would be reviewed. At present, this stipulation is being scrupulously observed by all banks.

Performance of Foreign Banks vis-a-vis Nationalised Banks in the country

1990. SHRI KRISHNA KUMAR BIRLA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that according to a study conducted by Government, performance of foreign banks in the country has been much better than the nationalised banks in mobilisation of deposits and deployment of resources;

(b) if so, by what percentage the growth in deposits and advances of these foreign banks is higher as against the domestic banks durng 1988 as compared to 1987;

(c) what are the main reasons therefor; and

(d) what measures have been taken by Government to bring an overall improvement in the working of the nationalised banks so as to achieve better deposit growth rate and better deployment of resources?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c) It would not be correct to compare the performance of foreign banks with those of nationalised banks in regard to deposit mobilisation and deployment of resources. Foreign banks rely considerably on prime corporate customers, non-fund business and law priority sector lendings, which not only carry low interest but are also comparatively more risky.

(d) To bring about alround improvement in the performance of banks several steps have been taken. Banks are implementing comprehensive time-bound action plans which are regularly monitored at the highest level in Reserve Bank of India. These action plans include measure:

(a) To expand training facilities where warranted.

(b) To strengthen the internal structure to ensure better supervision and control.

(c) To improve credit appraisal and quality of loan assets.

(d) To introduce new work technology on a selective basis and

(e) To improve recovery of bank dues, control costs, raise profitability and improve productivity.

In effect, the fulfilment of these action plans should lead to better customer service and improved financial viability of the Banking System in India.

Bank Financial Help to Oswal Agro Mills for Purchase of Union Carbide Plant at Chembur, Bombay

1991. SHRI KRISHNA KUMAR BIRLA: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news-item which appeared in 'the Statesman' of the 24th April, 1989 regarding generous financial help provided by certain nationalised banks to Oswal Agro Mills, violatng all procedures and norms to help the Company to buy Union Carbide's Plant at Chembur, Bombay;

(b) if so, whether Government have made ny inquiry into the matter; and

(c) if the answer to part (b) above be in the affirmative, what is the outcome thereof?